

# SENATE MOTION

**MR. PRESIDENT:**

**I move** that Engrossed House Bill 1469 be amended to read as follows:

- 1       Page 1, between the enacting clause and line 1, begin a new
- 2       paragraph and insert:
- 3       "SECTION 1. IC 20-1-21-9, AS AMENDED BY P.L.221-1999,
- 4       SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 5       JULY 1, 2001]: Sec. 9. The report must include the following
- 6       benchmarks or indicators of performance:
- 7       (1) Graduation rate, **as determined under:**
- 8        **(A) IC 20-8.1-14, beginning with the class of students who**
- 9        **expect to graduate during the 2005-2006 school year; or**
- 10       **(B) 511 IAC 6.1-1-2, for classes of students who expect to**
- 11       **graduate before the 2005-2006 school year.**
- 12       (2) Attendance rate.
- 13       (3) The following test scores, including the number and
- 14       percentage of students meeting academic standards:
- 15        (A) ISTEP test scores.
- 16        (B) Scores for assessments under IC 20-10.1-16-15, if
- 17        appropriate.
- 18        (C) For a freeway school, scores on a locally adopted
- 19        assessment program, if appropriate.
- 20       (4) Actual class size.
- 21       (5) The number and percentage of students in the following
- 22       groups or programs:
- 23        (A) At risk.
- 24        (B) Vocational education.
- 25        (C) Special education.
- 26        (D) Gifted or talented.
- 27        (E) Remediation and preventive remediation.
- 28       (6) Advanced placement, including the following:
- 29        (A) For advanced placement tests, the number and percentage
- 30        of students:
- 31        (i) scoring three (3), four (4), and five (5); and

- 1 (ii) participating.
- 2 (B) For the Scholastic Aptitude Test:
- 3 (i) test scores; and
- 4 (ii) the number and percentage of students participating.
- 5 (7) Course completion, including the number and percentage of
- 6 students completing the following programs:
- 7 (A) Academic honors diploma.
- 8 (B) Core 40 curriculum.
- 9 (C) Vocational programs.
- 10 (8) The percentage of graduates who pursue higher education.
- 11 (9) School safety, including the number and percentage of
- 12 students receiving suspension or expulsion for the possession of
- 13 alcohol, drugs, or weapons.
- 14 (10) Financial information and various school cost factors
- 15 relevant to performance.
- 16 (11) Technology accessibility and use of technology in
- 17 instruction.
- 18 (12) Staff professional development, including the type and extent
- 19 of opportunities available.
- 20 (13) Student mobility rates.
- 21 (14) Number and types of partnerships with the community,
- 22 business, or higher education.
- 23 (15) Teacher licensing, certification, and preparation, including
- 24 the number of teachers with national board certification.
- 25 (16) The percentage of grade 3 students reading at or above grade
- 26 3 level.
- 27 (17) A comparison of ISTEP scores and the dropout rate.
- 28 (18) Other indicators of performance as recommended by the
- 29 education roundtable (IC 20-1-20.5-3).
- 30 SECTION 2. IC 20-3.1-2-11 IS AMENDED TO READ AS
- 31 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 11. "Graduation rate"
- 32 means the graduation rate for a high school:
- 33 (1) determined by the method described in:
- 34 (A) **beginning with the class of students who expect to**
- 35 **graduate during the 2005-2006 school year, IC 20-8.1-14;**
- 36 **or**
- 37 **(B) for classes of students who expect to graduate before**
- 38 **the 2005-2006 school year, 511 IAC 6.1-1-2; and**
- 39 (2) calculated by the department.
- 40 SECTION 3. IC 20-5-62-7 IS AMENDED TO READ AS
- 41 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 7. The minimum
- 42 educational benefits that a freeway school corporation or a freeway
- 43 school must produce under this chapter are the following:
- 44 (1) An average attendance rate that increases:
- 45 (A) not less than two percent (2%) each school year until the
- 46 average attendance rate is eighty-five percent (85%); and
- 47 (B) one percent (1%) each school year until the average

- 1 attendance rate is ninety percent (90%).
- 2 (2) A successful completion rate of the assessment program by
- 3 meeting essential standards under the ISTEP program
- 4 (IC 20-10.1-16) or a locally adopted assessment program
- 5 established under section 6(7) of this chapter that increases:
- 6 (A) not less than two percent (2%) each school year until the
- 7 successful completion rate is not less than eighty-five percent
- 8 (85%); and
- 9 (B) one percent (1%) each school year until the successful
- 10 completion rate is not less than ninety percent (90%);
- 11 of the students in the designated grade levels under the ISTEP
- 12 assessment program (IC 20-10.1-16) or the locally adopted
- 13 assessment program that are grades contained in the freeway
- 14 school corporation or freeway school.
- 15 (3) Beginning with the class of students who expect to graduate
- 16 four (4) years after a freeway school corporation or a freeway
- 17 school that is a high school obtains freeway status, a graduation
- 18 rate as determined under **IC 20-8.1-14, beginning with the class**
- 19 **of students who expect to graduate during the 2005-2006**
- 20 **school year, or 511 IAC 6.1-1-2(j), for classes of students who**
- 21 **expect to graduate before the 2005-2006 school year, that**
- 22 **increases:**
- 23 (A) not less than two percent (2%) each school year until the
- 24 graduation rate is not less than eighty-five percent (85%); and
- 25 (B) one percent (1%) each school year until the graduation rate
- 26 is ninety percent (90%).
- 27 After a freeway school corporation or a freeway school has achieved
- 28 the minimum rates required under subdivisions (1) through (3), the
- 29 freeway school corporation or freeway school must either maintain the
- 30 minimum required rates or show continued improvement of those rates.
- 31 SECTION 4. IC 20-8.1-14 IS ADDED TO THE INDIANA CODE
- 32 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 33 JULY 1, 2001]:
- 34 **Chapter 14. Graduation Rate Determination**
- 35 **Sec. 1. This chapter applies to:**
- 36 **(1) a public high school; and**
- 37 **(2) an accredited nonpublic high school.**
- 38 **Sec. 2. As used in this chapter, "cohort" refers to a class of**
- 39 **students within a high school who have the same expected**
- 40 **graduation year.**
- 41 **Sec. 3. As used in this chapter, "dropout" refers to a student:**
- 42 **(1) who has withdrawn from school under**
- 43 **IC 20-8.1-3-17(b)(2); or**
- 44 **(2) for whom no record of:**
- 45 **(A) a transfer to another public or nonpublic school;**
- 46 **(B) removal by the student's parents to provide instruction**
- 47 **equivalent to that given in the public schools under**

1 IC 20-8.1-3-34;

2 (C) a withdrawal because of a long term medical condition  
3 or death;

4 (D) detention by a law enforcement agency or the  
5 department of correction;

6 (E) placement by a court order or the division of family  
7 and children; or

8 (F) enrollment in a virtual school;

9 can be found.

10 Sec. 4. As used in this chapter, "enrollment" means the total  
11 number of students within a grade that is reported to the  
12 department annually on:

13 (1) October 1; or

14 (2) a date specified by the department.

15 Sec. 5. As used in this chapter, "expected graduation year"  
16 means the reporting year beginning three (3) years after the  
17 reporting year in which a student is first considered by a school  
18 corporation to have entered grade 9.

19 Sec. 6. (a) As used in this chapter, "graduation" means the  
20 successful completion by a student of:

21 (1) a sufficient number of academic credits, or the equivalent  
22 of academic credits; and

23 (2) the graduation examination or waiver process required  
24 under IC 20-10.1-16;

25 resulting in the awarding of a high school diploma or an academic  
26 honors diploma.

27 (b) The term does not include the granting of a general  
28 education diploma under IC 20-10.1-12.1.

29 Sec. 7. As used in this chapter, "graduation rate" means the  
30 percentage of students within a cohort who graduate during their  
31 expected graduation year.

32 Sec. 8. As used in this chapter, "reporting year" refers to the  
33 period beginning October 1 of a year and ending September 30 of  
34 the following year.

35 Sec. 9. As used in this chapter, "retention" refers to the  
36 reclassification by a school corporation of a student that places the  
37 student into a cohort that has an expected graduation year after  
38 the expected graduation year of the student's initial cohort.

39 Sec. 10. Beginning with the class of students who expect to  
40 graduate in the 2005-2006 school year, the department shall  
41 determine the graduation rate of high school students under this  
42 chapter.

43 Sec. 11. The graduation rate for a cohort in a high school is the  
44 percentage determined under STEP SEVEN of the following  
45 formula:

46 STEP ONE: Determine the grade 9 enrollment at the  
47 beginning of the reporting year three (3) years before the  
48 reporting year for which the graduation rate is being

- 1 determined.
- 2 **STEP TWO: Add:**
- 3 (A) the number determined under STEP ONE; and
- 4 (B) the number of students who:
- 5 (i) have enrolled in the high school after the date on
- 6 which the number determined under STEP ONE was
- 7 determined; and
- 8 (ii) have the same expected graduation year as the
- 9 cohort.
- 10 **STEP THREE: Add:**
- 11 (A) the sum determined under STEP TWO; and
- 12 (B) the number of retained students from earlier cohorts
- 13 who became members of the cohort for whom the
- 14 graduation rate is being determined.
- 15 **STEP FOUR: Add:**
- 16 (A) the sum determined under STEP THREE; and
- 17 (B) the number of students who:
- 18 (i) began the reporting year in a cohort that expects to
- 19 graduate during a future reporting year; and
- 20 (ii) graduate during the current reporting year.
- 21 **STEP FIVE: Subtract from the sum determined under STEP**
- 22 **FOUR the number of students who have left the cohort for**
- 23 **any of the following reasons:**
- 24 (A) Transfer to another public or nonpublic school.
- 25 (B) Removal by the student's parents to provide
- 26 instruction equivalent to that given in the public schools
- 27 under IC 20-8.1-3-34.
- 28 (C) Withdrawal because of a long term medical condition
- 29 or death.
- 30 (D) Detention by a law enforcement agency or the
- 31 department of correction.
- 32 (E) Placement by a court order or the division of family
- 33 and children.
- 34 (F) Enrollment in a virtual school.
- 35 (G) Graduation before the beginning of the reporting year.
- 36 **STEP SIX: Determine the total number of students who have**
- 37 **graduated during the current reporting year.**
- 38 **STEP SEVEN: Divide:**
- 39 (A) the number determined under STEP SIX; by
- 40 (B) the remainder determined under STEP FIVE.
- 41 **Sec. 12. The graduation rate for a cohort in a school corporation**
- 42 **is the percentage determined under STEP THREE of the following**
- 43 **formula:**
- 44 **STEP ONE: Add the sums determined under STEP FOUR of**
- 45 **section 11 of this chapter for each public high school within**
- 46 **the school corporation.**
- 47 **STEP TWO: Add the totals determined under STEP FIVE of**
- 48 **section 11 of this chapter for each public high school within**

the school corporation.

**STEP THREE: Divide:**

(A) the sum determined under STEP TWO; by

(B) the sum determined under STEP ONE.

**Sec. 13. (a) A school corporation must make and maintain records that:**

(1) identify each student within a cohort by an individualized identification number established by the department; and

(2) indicate:

(A) whether the student graduated with the student's cohort; or

(B) if the student did not graduate, whether the student:

(i) left the cohort for a reason set forth in section 3(2) of this chapter; or

(ii) was a dropout.

(b) For each student identified under subsection (a)(2)(B), the school corporation must maintain records that support the reason provided for the student's failure to graduate with the student's cohort. If a school corporation cannot provide a record for a student, the student is considered to be a dropout.

(c) A school corporation shall submit an annual report to the department of:

(1) the figures used to determine each STEP of the formulas set forth in sections 11 and 12 of this chapter, including the number of students in each category set forth in section 3(2) of this chapter; and

(2) the number of individuals who:

(A) received a general educational development (GED) diploma under IC 20-10.1-12.1; or

(B) completed an adult secondary education program.

**Sec. 14. (a) The department shall annually audit at least ten percent (10%) of school corporations submitting reports under section 13 of this chapter to determine the accuracy of:**

(1) the information submitted in the report; and

(2) the records maintained to support the information submitted in the report.

(b) In determining school corporations to audit, the department shall select:

(1) fifty percent (50%) of the total number of schools to be audited based upon the results of the ranking performed under subsection (e); and

(2) fifty percent (50%) of the total number of schools to be audited randomly.

A school corporation included in subdivision (1) may not be included in subdivision (2).

(c) The department shall determine the estimated growth rate for a school corporation by dividing the school corporation's grade 1 through grade 12 enrollment for the current reporting year by

the school corporation's grade 1 through grade 12 enrollment for the reporting year three (3) years before the current reporting year.

(d) The estimated graduation rate for a school corporation is the percentage determined under STEP THREE of the following formula:

STEP ONE: Determine the number of students in the school corporation who graduated during the reporting year.

STEP TWO: Divide:

(A) the number determined under STEP ONE; by

(B) the number of students in the school corporation who were grade 9 students at the beginning of the reporting year three (3) years before the reporting year for which the graduation rate is being determined.

STEP THREE: Divide:

(A) the quotient determined under STEP TWO; by

(B) the quotient determined under subsection (c).

(e) The department shall determine which school corporations to audit under subsection (b)(1) as follows:

(1) For each school corporation, determine the difference between the graduation rate calculated under section 12 of this chapter and the estimated graduation rate calculated under subsection (d).

(2) Rank the school corporations by the difference determined under subdivision (1) from the greatest difference to the least difference.

(3) Select the school corporations to audit:

(A) that have the highest ranking under subdivision (1); and

(B) in a number equal to fifty percent (50%) of the total number of schools audited.

(f) If the department determines as the result of an audit under this section that the figures reported by a school corporation under section 13 of this chapter were inaccurate, the department shall recalculate the school corporation's graduation rate using the figures determined to be correct in the audit.

Sec. 15. Beginning with the class of students who expect to graduate during the 2005-2006 school year, the department shall annually publish the following:

(1) For each school corporation:

(A) the graduation rate determined under section 12 of this chapter;

(B) the estimated graduation rate determined under section 14(d) of this chapter;

(C) the figures supported by the school corporation's records for each category under section 13(b) of this chapter; and

(D) the number of individuals reported under section

- 1           13(c)(2) of this chapter by the school corporation.  
 2           (2) For the state as a whole:  
 3           (A) a list identifying the school corporations audited under  
 4           section 14 of this chapter, including whether the audit was  
 5           conducted because of random selection or the school  
 6           corporation's ranking under section 14(e) of this chapter;  
 7           and  
 8           (B) the outcome of the audit, including any changes to the  
 9           graduation rate made as a result of the audit.

10       **Sec. 16. The department shall adopt rules under IC 4-22-2 to**  
 11       **implement this chapter."**

12       Page 3, after line 9, begin a new paragraph and insert:

13       "SECTION 6. IC 20-10.2-2-6.5 IS ADDED TO THE INDIANA  
 14       CODE AS A NEW SECTION TO READ AS FOLLOWS  
 15       [EFFECTIVE JULY 1, 2001]: **Sec. 6.5. "Graduation rate" means the**  
 16       **graduation rate for a high school:**

- 17       (1) determined by the method described in:  
 18       (A) IC 20-8.1-14, beginning with the class of students who  
 19       expect to graduate during the 2005-2006 school year; and  
 20       (B) 511 IAC 6.1-1-2, for classes of students who expect to  
 21       graduate before the 2005-2006 school year; and  
 22       (2) calculated by the department.

23       SECTION 7. [EFFECTIVE JANUARY 1, 2006] 511  
 24       IAC 6.1-1-2(g), 511 IAC 6.1-1-2(h), and 511 IAC 6.1-1-2(j) are void.  
 25       The publisher of the Indiana Administrative Code and the Indiana  
 26       Register shall remove these subsections from the Indiana  
 27       Administrative Code.

28       SECTION 8. [EFFECTIVE JULY 1, 2001] (a) As used in this  
 29       SECTION, "department" refers to the department of education.

30       (b) For the class of students who expect to graduate during the  
 31       2005-2006 school year, the department shall do the following:

- 32       (1) Determine the graduation rate for each school corporation  
 33       under IC 20-8.1-14, as added by this act, and under 511  
 34       IAC 6.1-1-2.  
 35       (2) Publish the results of the determinations under each  
 36       method in the annual report required under IC 20-8.1-14-15,



- 1     **as added by this act.**
- 2     **(c) This SECTION expires December 31, 2006."**
- 3     Renumber all SECTIONS consecutively.  
      (Reference is to EHB 1469 as printed March 23, 2001.)

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Senator JOHNSON